

SECRET

31 May 1966

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting at HEW

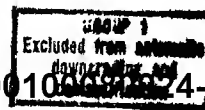
1. Mr. Brammell and [REDACTED] met with Donald Simpson, Assistant Secretary for Administration, HEW, and Mr. Ralph Roberts, State's Deputy Assistant Secretary for Budget, on 24 May, to discuss HEW's proposed transfer of its NIS staff to the Department of State.

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2. Mr. Simpson outlined the problem -- Secretary Gardner's insistence that HEW's contractual relations with CIA for NIS production be terminated -- and proposed to Mr. Roberts that the Department of State assume the responsibility for production of the Sections 42, 43, and 46. It was explained that the Department of State had this responsibility until 1961 and that HEW's NIS personnel had been transferred from State. Roberts expressed concern over the problem of State's new policy of making all its professionals FSO's and FSR's as well as updating the staff's security clearances and finding physical space for them. His attitude, however, was a positive one and he indicated a willingness to discuss the problem with Mr. Hughes.

3. There was considerable discussion on the mechanism for effecting a new arrangement with Simpson first suggesting that CIA write to State requesting a transfer of the Staff, but Mr. Brammell demurred, placing the onus on HEW. It was agreed that upon verbal assurance of State's willingness to accept the HEW staff, HEW would make the formal request of State, simultaneously notifying CIA. The Agency would then write to State, alluding to HEW's proposal and State's acceptance, and offer to effect a similar contractual relation with State as it had with HEW. Mr. Roberts indicated that the FY 67 funding of [REDACTED] might not be adequate because State would have to find rental quarters for the NIS personnel, although HEW would provide space for a few more months. Mr. Brammell specified that should the Department of State agree to assume the responsibility it is understood that the NIS staff would be exclusively concerned with NIS production and not be diverted to other INR responsibilities.

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4. We are to await further word from HEW.



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Special Assistant
Director of Basic Intelligence

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(31 May 1966)

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